

[Your firm name and logo]

[Firm name]

[Firm address]

[Date]

[Client name(s)]

[Client address]

Re: Tax planning for [tax year or transaction]

Dear [Client name(s)],

What this engagement is

[Firm name] will give you tax planning advice for [tax year or transaction]. This is advice about future steps. It does not include preparing or filing any return, which we cover in a separate letter.

Entities in scope (optional)

Our advice covers you and the following related entities: [S corporation name], [partnership name], [trust name]. It does not cover any other entity unless we add it in writing.

Planning areas

We will advise on the areas ticked: ☐ current-year tax projection; ☐ estimated payments; ☐ choice of business entity; ☐ retirement contributions; ☐ equity compensation; ☐ real estate transactions; ☐ charitable giving; ☐ state residency; ☐ estate and gift planning. Areas not ticked are outside this engagement.

What you will receive

We will deliver a dated written memo with our projections and recommendations by [date]. If you plan to rely on advice we give in a meeting or by phone, ask us to confirm it in writing first.

Facts and assumptions

Our advice will rest on the facts you give us and on the assumptions listed in the schedule attached to each memo, such as your expected income, filing status and state of residence. Please check the schedule and tell us at once if any item is wrong or changes. We will not audit the information you provide, but we will ask about anything that looks incomplete or inconsistent.

The law we apply

Each memo reflects federal and [state] tax law as in force on its date. Later changes in law, regulations or court decisions may affect it. We will tell you about such changes only if updates are included below or you engage us separately for them.

Updates (optional)

This engagement includes [number] follow-up meetings and [one] update to the projection before [date]. Further updates are billed at the hourly rates below.

Who acts on the advice

You make the final choice on each recommendation and are responsible for carrying it out, with your attorney, financial adviser or other professionals as needed. We will help with implementation only where this letter or a later addendum says so.

What we need from you

By [date], please send: your prior-year federal and state returns; year-to-date pay stubs for each earner; expected Schedule K-1 figures from each business; a realized gain and loss report from each brokerage account; and a list of estimated payments made so far this year.

Sharing with your other advisers (optional)

With your written consent, given separately from this letter, we may share our memo and your tax information with the attorney and financial adviser you name: [names].

No promise of savings

We will give you our best professional judgment. We cannot guarantee any amount of tax savings, that the IRS or a state will accept a position, or that our advice will prevent a penalty.

Fees

The fee for the memo is [amount], due [on signing / on delivery]. Follow-up work is billed at [rate] per hour. Our fees do not depend on the amount of tax you save.

Term

This engagement ends when we deliver the memo and any updates listed above, or on [date], whichever comes first. Either of us may end it earlier by written notice, and you will pay for work done to that date.

Confirmation

Please sign and date this letter to confirm the scope you ticked and return it to us. Each of you should sign if the planning covers a joint return.

Best regards,

[Partner name], [CPA / EA / attorney]

[Firm name]

Signature: _____ Date: _____

Client: [Name] Signature: _____ Date: _____

Client: [Name] Signature: _____ Date: _____